GOVERNHMENT OF ANDHRA PRADESH
ABSTRACT

Mines & Minerals – M/s. APMDC – Agreement entered for establishment of Beach Sand Mineral Separation Plant and also Value Added Unit in Srikakulam Dist. under JV with M/s. APMDC Ltd. – Request for further extension of time – Rejected - Cancellation of J.V. agreement proposed – Orders – Issued.

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INDUSTRIES & COMMERCE (MINES-II) DEPARTMENT

G.O.MS.No. 137 Dated: 20-10-2016

Read the following:

1. G.O.Ms.No.273, Ind & Com (M.III) Department, dt.29.09.2006.
2. Govt.Memo.No.15354/M.III(1)/2011-2, dt.28.02.2012.
3. From the VC&MD, M/s APMDC, Lr.No.APMDC/VVMPL/Geo/2012/3250, dt.29.01.2016.
4. From the Managing Director, M/s V.V.Minerals, Representation dt.02.11.2015.
5. From the Under Secretary to Govt. of India, Ministry of Mines, New Delhi Lr.No.F.No.4/30/2013-M.IV, Dt.20.05.2016, recd on 31.05.2016.

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ORDER: -

Government have issued orders according permission to M/s A.P. Mineral Development Corporation Limited to establish a Beach Sand Mineral Separation Plant and Value Added Unit under Joint Venture with M/s V.V.Minerals Private Limited, in Srikakulam District, for exploitation of Beach Sand deposits for production of Ilmenite and other Heavy Minerals on the terms and conditions laid down therein, in the G.O. 1st read above. Accordingly, they have entered into an agreement on 30.12.2006.

2. In the reference 2nd read above, the Government of Andhra Pradesh have accorded permission to M/s A.P. Mineral Development Corporation Limited to continue with the existing agreement and also grant of 18 months time upto 30.08.2013 for implementation of the project.

3. In the reference 3rd read above, the Vice Chairman & Managing Director, M/s A.P. Mineral Development Corporation Limited has reported that as there is no validity to the existing agreement entered with M/s V.V. Minerals Private Limited, since it was expired on 30.08.2013, the matter was placed before the Board of Directors in its 378th meeting held on 27.10.2015, to call for fresh Expression of Interests for formation of new Joint Venture Companies in respect of the 3 areas ie., 17.92 Ha , 372 Ha and 319.68 Ha on receipt of prior approvals from Government of India. It was resolved to cancel the Joint Venture agreement entered between M/s A.P. Mineral Development Corporation Limited and M/s V.V. Minerals Pvt Ltd, and also permitted the Vice Chairman & Managing Director to invite Expression of Interest afresh for formation of Joint Venture for exploitation of Heavy Mineral Beach Sands and establishment of Plant in respect of the above said 3 areas, subject to obtaining prior approval from Govt of India. The Vice Chairman & Managing Director, M/s A.P. Mineral Development Corporation Limited has therefore requested the Government to cancel the Joint Venture agreement entered between M/s. APMDC Ltd. and V.V Minerals Pvt. Ltd.

4. In the reference 4th read above, the Managing Director, M/s. V.V. Minerals has requested the Government to revise/extend time line to enable them to continue their efforts.

(P.T.O)

5. After examining the proposal, the Ministry of Mines, Government of India, New Delhi in the reference 5th read above, for according prior approval of Government of India, under Section 5(1) of the MMDR Act, 1957, for grant of Mining Lease for Ilmenite; Rutile; Leucoxene; Sillimnaite, Zircon and other specified minerals, in the extents of 17.92 Ha , 372 Ha and 319.68 in Srikakulam District in favour of M/s. A.P. Mineral Development Corporation Ltd, have rejected the proposal duly returning the same.

6. After careful examination of the above matter, taking into consideration that the agreement entered has already been expired and that the extension of time limit for 18 months was also expired by 30.08.2013 and Government of India has rejected the prior approval U/s 5 (1) of MMDR Act 1957, Government have taken a decision to reject the request for further extension of time in this regard and to cancel the Joint Venture agreement entered on 30.12.2006 by M/s A.P. Mineral Development Corporation Ltd. with M/s V.V Minerals Pvt. Ltd.

7. The Vice Chairman & Managing Director, M/s A.P. Mineral Development Corporation shall take immediate necessary action accordingly in this regard on the above decisions of the Government, under intimation to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To
The Vice Chairman & Managing Director, M/s APMDC Ltd., Hyderabad.
SF/SCs.

// FORWARDED :: BY ORDER //

SECTION OFFICER